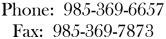


Texas Brine Company, LLC 1301 Highway 70

Belle Rose, LA 70341





June 27, 2013

Commissioner James H. Welsh P.O. Box 94275 Baton Rouge, LA 70804

RE: In response to State of Louisiana Department of Natural Resources Office of Conservation's Second Amendment to Declaration of Emergency and Directive

Commissioner Welsh,

In response to the Second Amendment and Declaration of Emergency and Directive order issued by the Louisiana Department of Natural Resources (LDNR), Office of Conservation on September 25, 2012, Texas Brine Company, LLC (TPC) understands the seven items listed in the document.

In the above mentioned, TBC was specifically directed and ordered to perform certain tasks outlined in the above mentioned document. Below are the required responses, as directed.

- 1. TBC's counsel provided LDNR legal counsel with a response to Directives 1-3 on September 28, 2012.
- 2. TBC understands Directive 4, which is to provide all daily logs and field notes from all contractors conducting investigation into subsidence and natural gas bubbling. The Daily Action Summary and results for current information can be found in the Attachment section of this report.
- 3. TBC understands Directive 5, which directs TBC to immediately allow for split or share any sample taken on site related to Well 3A (Serial Number 974265), the cavern, other wells facilities or other site locations. The Daily Action Summary of today's collection can be found in Attachment section of this report.
- 4. TBC understands Directive 6, which directs TBC to immediately report the results (final and preliminary) of any tests, logs samples or data collection performed on Well 3A, the cavern, other wells, facilities or site locations that indicate a change in any previously known conditions related to the investigation of the subsidence or natural gas bubbling

- events, and continue to report any such results. The Daily Action Summary and the Results related to this Directive can be found in Attachment section of this report.
- 5. TBC understands the Directive 7, which states that TBC will provide a daily summary of all tests, or logs performed or samples taken from Well 3A and the cavern as well as any results of those tests or logs, including preliminary as of September 25, 2012 and going forward. The Daily Summary and Results related to this Directive can be found in Attachment section of this report.

Please note that the drilling rig used for the Observation Well 3A has been removed and the site is being rigged down and returned to pre-drilling condition. As such, daily drilling reports for this well have ceased. Plans are being made for longer term potential gas venting/flaring requirements and possible hydrocarbon material recover from Well 3A.

In addition, previous daily summary reports issued to LDNR have included significant duplicate information as there is a fair amount of overlap in the information requested in each of the Directives included in the September 25, 2012 order. All requested information associated with the Directives issued in the September 25, 2012 order are included in the Attachment section of this report.

TBC believes that the submittal of this report satisfies the requirements of the Declaration of Emergency and Directive issued on September 25, 2012. As directed this report is submitted by email to <u>conservationorder@la.gov</u>, ref. "Emergency Declaration-Texas Brine Company LLC-9/25/2012.

Bruce E. Martin

Vice President, Operations

Bana EMart

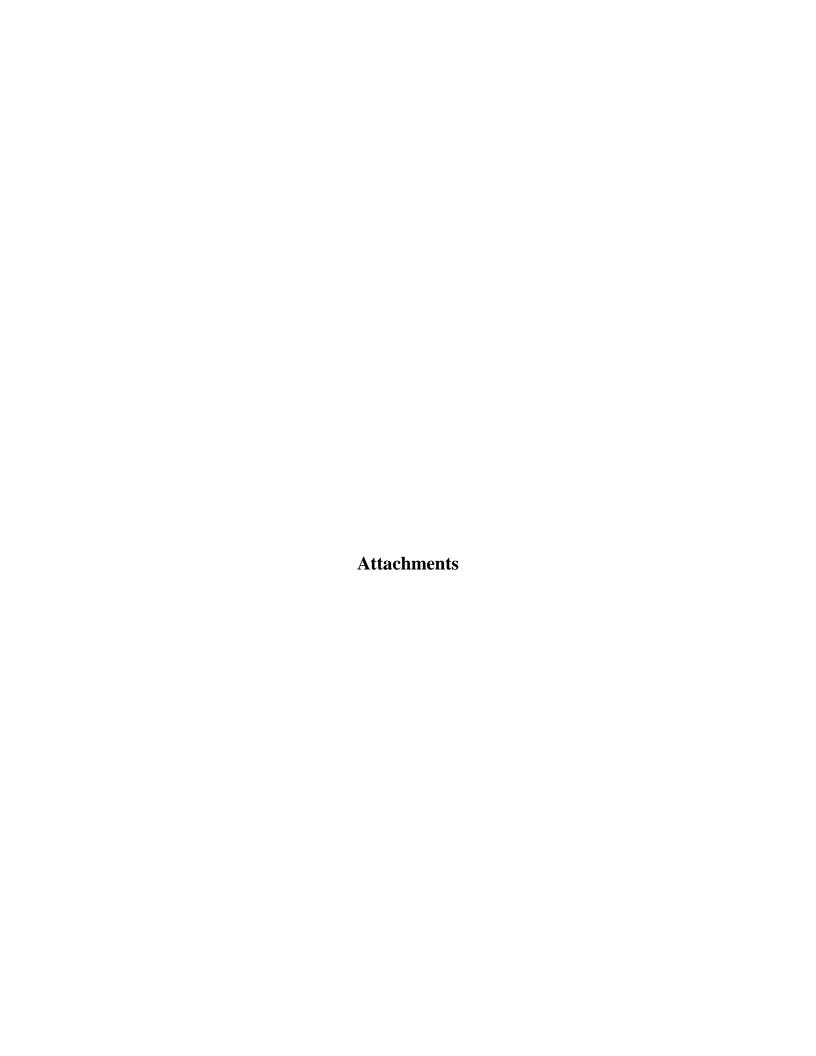
Texas Brine Company, LLC



			TBC Oxy Gran	d Bayou Data Manager	ment-Enviro	nmental					
Contractor	Responsibilities	Col	lected By	Date Collect	ed	Delivered to Lab	Results from Lab	Laboratory	Method	Date to Ag	encies
Sage	Stationary Air Monitoring	Darlene McManu	ki - 08:05 - 09:05 ıs (Code Red) - 07:00 - 17:00	6/26/2013	1	NA	NA	NA	AreaRAE Monitors	6/27/20	013
	Residential Air Monitoring	bimonthly resid Therefore, Sage	equested to suspend ential air monitoring. will discontinue these tivities.	NA		NA NA N.			NA	NA	
	Gas Seep Sampling	No wor	k performed	6/26/2013		NA	NA	NA	NA	NA	
	Well Gas Sampling	No wor	k performed	6/26/2013		NA	NA	NA	NA	NA	
	Under Slab Gas Sampling	No wor	k performed	6/26/2013		NA	NA	NA	NA	NA	
	Indoor Air Monitoring	No wor	k performed	6/26/2013		NA	NA	NA	NA	NA	
Respec	Inclinometers/Tilt Meters	6/26/2013	No samples collected	NA	NA	NA	NA		NA	NA	NA
•	InSAR Reflector Installations	6/26/2013	No samples collected	NA	NA	NA	NA		NA	NA	NA
	Subsidence Survey-Fenstermaker	6/26/2013	No samples collected	NA	NA	NA	NA		NA	NA	NA
	Shallow Geophone Installation	6/26/2013	No samples collected	NA	NA	NA	NA		NA	NA	
	Deep Geophone Installation	6/26/2013	No samples collected	NA	NA	NA	NA		NA	NA	NA
	Amendment #3, Directive #2	6/26/2013	No samples collected	NA	NA	NA	NA		NA	NA	NA
	Expansion of geoprobe gas sampling locations	6/26/2013	No samples collected	NA	NA	NA	NA		NA	NA	NA
Miller	Weekly Stability Survey	Hers	chel Sauce	June 26, 201	.3	NA	NA	NA	NA	NA	
	Misc. Survey Work	Hers	chel Sauce	June 26, 201	.3	NA	NA	NA	NA	NA	
	Sinkhole Hydro/Perimeter Survey	No Wo	rk Performed	June 26, 201	.3	NA	NA	NA	NA	NA	
Pisani	Surface Water		NA	NA		NA	NA	NA NA		NA	
	Industrial Well Water		NA	NA		NA	NA	NA	NA	NA	
	MRAA Well Water		NA	NA		NA	NA	NA	NA	NA	
	GP/ORW Water		NA	NA		NA	NA	NA	NA	NA	
	Cavern Brine		NA	NA		NA	NA	NA	NA	NA	
	Geoprobe Wells		NA	NA		NA	NA	NA	NA	NA	
				Grand Bayou Well	3A						
	Daily Operations at 3A					Summary of	Today's events				
						0)	cy 3A				
	6/27/2013	7am 585.7		6/27/2013							
						Relief	f Well #1				

See ORW-01 Flare Spreadsheet

6/27/2013



Daily Action Summary

June 26, 2013

Stationary Air Monitoring

- Eric Rucinski onsite from 08:05 to 09:05. Changed out the monitors between 08:15 and 08:51. Collected data from the monitoring database and forwarded to Steve Shaughnessy in the Baton Rouge office for processing.
- Darlene McManus of Code Red (monitor sub-contractor) onsite from 07:00 to 17:00. Assisted in battery change outs and maintenance of the monitoring equipment.

Residential Air Monitoring

• Sage has been requested to suspend bimonthly residential air monitoring. Therefore, Sage will discontinue these activities. The last event was conducted on March 26, 2013.

Gas Seep Sampling

• Not Scheduled

Well Gas Sampling

• Not Scheduled

Under Slab Gas Sampling

Not Scheduled

Air Indoor Monitoring

• Not Scheduled

*Time indicates start of time period (ex. 12:00:00 AM gives the time period 12:00:00 AM to 12:59:59 AM)

		Sout	h-most Pipelir	ne Site			Middle	e-most Pipeli	ne Site			North	-most Pipelii	e Site			South	h of OG3A	·-1		Onsite Trailers					
			ST-3			ST-2b							ST-1						TR-1							
		Non-					Non-					Non-				1	Non-					Non-				
		Methane					Methane					Methane				M	ethane					Methane				
Date-Time *	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm) VO	(ppm) H	I2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	
06/26/2013 01:00:00 AM	0.0	0.0	0.0	2.7	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 02:00:00 AM	0.0	0.0	0.0	2.8	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 03:00:00 AM	0.0	0.0	0.0	2.9	20.9	<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 04:00:00 AM	0.0	0.0	0.0	3.0	20.9	<1.0	0.0	0.0	0.0	21.5	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 05:00:00 AM	1					<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 06:00:00 AM		Battery	Malfunction -	See Note		<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 07:00:00 AM						<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.8	0.0	0.0	0.0	0.0	20.9	
06/26/2013 08:00:00 AM	0.0	<1.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.8	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 09:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.6	0.0	0.0	0.0	0.0	20.9	
06/26/2013 10:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.6	0.0	0.0	0.0	0.0	20.9	
06/26/2013 11:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.8	0.0	0.0	0.0	0.0	20.9	
06/26/2013 12:00:00 PM	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 01:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 02:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 03:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 04:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 05:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 06:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 07:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 08:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 09:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 10:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 11:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/27/2013 12:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	

Notes: RTU-9, located at ST-3, experienced a battery malfunction at approximately 04:39 AM on 6/26/2013. RTU 4 replaced RTU-9 at approximately 8:03 AM on 6/26/2013, and normal data collection resumed.

*Time indicates start of time period (ex. 12:00:00 AM gives the time period 12:00:00 AM to 12:59:59 AM)

		South-n	nost Pipelir	ne Site			Middle	e-most Pipeli	ne Site			North	h-most Pipeli	ne Site		1	Se	outh of OG3A	A-1		Onsite Trailers					
					ST-2b							ST-1					Pad #9				TR-1					
		Non-					Non-					Non-					Non-					Non-				
		Methane					Methane					Methane					Methane					Methane				
Date-Time *	CO (ppm)	VOC (ppm) I	I2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	SO2 (ppm)	VOC (ppm)	H2S (ppm)	LEL (%)	O2 (%)	CO (ppm)	VOC (ppm)	H2S (ppm)) LEL (%)	O2 (%)	
06/26/2013 05:00:00 AM						<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 06:00:00 AM	M Battery Malfunction - See Note					<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 07:00:00 AM						<1.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.8	0.0	0.0	0.0	0.0	20.9	
06/26/2013 08:00:00 AM	0.0	<1.0	0.0	0.0	20.9	<1.0	0.0	0.0	0.0	20.8	0.0	<1.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 09:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.6	0.0	0.0	0.0	0.0	20.9	
06/26/2013 10:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.6	0.0	0.0	0.0		20.9	
06/26/2013 11:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	<1.0	0.0	20.8	0.0	0.0	0.0	0.0	20.9	
06/26/2013 12:00:00 PM	0.0	0.0	0.0	0.0	21.0	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	
06/26/2013 01:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 02:00:00 PM	0.0	0.0	0.0	0.0	21.2	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 03:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 04:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 05:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 06:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 07:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 08:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 09:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 10:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/26/2013 11:00:00 PM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/27/2013 12:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/27/2013 01:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0		20.9	
06/27/2013 02:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	
06/27/2013 03:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	
06/27/2013 04:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0		20.9	
06/27/2013 05:00:00 AM	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	0.0	0.0	0.0	20.9	0.0	<1.0	0.0	0.0	20.9	

Notes: RTU-9, located at ST-3, experienced a battery malfunction at approximately 04:39 AM on 6/26/2013. RTU 4 replaced RTU-9 at approximately 8:03 AM on 6/26/2013, and normal data collection resumed.

ME&A Daily Action Summary

June 26, 2013

Subsidence Survey:

- Arrived @ 8:00 am
- Ran conventional level loop starting at TBM 2 which is a nail set in a power pole adjacent to the main roadway and OxyGeismar #2 well pad. Ran level loop through brine wells (1,2 & 3), water wells (1,2 & 3), TBM's, and the two brine storage tanks.

Sinkhole Perimeter/Hydrographic Survey:

No Work Done

Support Sinkhole Cleanup

No Work Done

Misc. Survey Work

- Settlement Plate survey on berms & centerline survey of berm with GPS points taken @ 100' intervals.
- Departed @ 4:00 pm